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>> Councilmember Pyle: So if you're ready we are as well. And I would like to begin by moving on to the review of the order and roll call. I believe we're here. Almost all here. That would be it. And are there any discussions about the work plan itself or any changes? There is one that we will be hearing the school city collaborative first so I did want to make note of that. 6 will be heard first. Are there any other?

>> Norberto Dueñas: No, Madam Chair. Not from the staff.

>> Councilmember Pyle: Ready to go ahead and hear from Norberto.

>> Norberto Dueñas: Madam Chair, members of the committee, I met John three or four years ago when he started the job in the City Manager's office with one of the assignments being the schools city collaborative. As you know the schools city collaborative has been around for quite some time, started with mayor Susan hammer. Thanks to the mayor and Vice Mayor, Judy Chirco, decided to revitalize the schools city collaborative. I want to thank John for his leadership working with us. He's been instrumental in reestablishing a good working relationship not only with the Franklin McKinley school district but with all the school districts here in the City of San José. And now Councilmember Rocha is also the co-chair of the schools city collaborative as we continue to move this project forward. So I'd like to introduce John, have him come up. He's going to do a presentation for us. This is the first time we've had him here at the committee and I'm sure it won't be the last. Thank you, John.

>> Well thank you, it's a real privilege to be here, and I appreciate being put on the agenda. I brought my twin Mary Beth, we're connected on a lot of things she's been a real asset. We're going to walk through this sort of quickly. Let me say before we gets into the children's initiative I think the city schools collaborative has been a unique model. In all the states I've worked in I've never seen anything like it especially since we have 19 school districts. And we actually came one a format that makes us seamless. I think that's the real power of the collaborative because we have a working issues group that met, cleans up things between us and then we have the broader group meeting where all the superintendents attend. And it's a very collaborative group. And we've done a lot of wonderful things together, especially when we have money. We did a lot of unique things. But in these crisis times it's been critical for us to communicate with each other to save those things really dear to the

safety and security of students. So I really appreciate the city council and the mayor supporting the crossing guards. I know we've made some cuts in that area, but I thought the process the city used to determine which crosswalk areas would be served and which wouldn't was a very fair, detailed, professional analysis, and I really appreciate that. Out of the city supes' initiative and out of the mayor's gang task force a wonderful thing happened two years ago, but it was based on a real tragedy. It got initiated because one afternoon, a group of 50 seventh graders in an after school program witnessed a horrific beating of young adults at the end of the track field over at what then was called J.W. fair. It was so horrific in the intensity of the beating with multiple people that it shook all of us to the core. And the very next day at that middle school we had about 40 partners, many of which you're going to see in a few seconds on the chart, that sat down and said you know, we've had enough. Our kids deserve to be safe. And then the question was asked, well, what do we do? And prior to coming to San José I worked eight years as a national consultant. And I knew of two -- there was just dead silence in the room. So because I knew we had to go somewhere I described two stories. One was the south side shore bank initiative in Chicago and the second initiative is the Harlem children's zone which was just getting off the ground before I left as a national consultant. But had some amazing things occurred. And everybody got excited said, you know that's what we need to do. We need to take one block at a time and we need to claim that block as a safe place for children a healthy place for families to raise their children, safe neighborhoods, giving parents the ability to be empowered with their lives and we need -- we can't change all of San José. We can't change all of the state of California but we can take 19 to 20 blocks and just do it. And that was the commitment. Out of that tragedy came the -- a planning grant from the Packard foundation, a wonderful partnership with the city and especially with Norberto's help, we went and went to partner to partner and say we're going to do this, let's do it. Let's send decision makers only to the meetings, let's claim this area and do everything we can to transform schools, neighborhoods and families, everything that everybody knows let's take one area and just do it well. And so with that we'll start the slides and with that came a vision of our initiative which you see on the first slide. And on the second slide we get into, you know, three subcomponents that were critical to the -- to the whole initiative. And I'll let Mary Beth take it for here and then we'll trade off.

>> Thank you. And thank you again for being here today and inviting us to talk about this very exciting project. As Dr. Porter mentioned, the initiative is based on the very successful Harlem children's zone, back obviously in New

York. Which is a place-based strategy. It's kind of the buzzword solution is how it's referred to. And the meaning of that is that instead of services scattered throughout your city which is what normally happens in any large city, any urban district you have social service programs, educational programs, very excellent ones. But they're scattered all throughout the city and there's no critical mass. There's no, you know, economies of scale if you want to use a business term to really make those programs effective and have a true impact in the community. So as the initiative's real core component, that instead of having these scattered programs throughout the city we're looking just at the Franklin McKinley Santee neighborhood, 16 blocks on the South side one of the hot spots in the city to be able to pour in the services that are required for the families and children to succeed. And the ultimate goal is that all children graduate high school into college and careers. So it's very child focused and it's very education focused. But knowing that for our kids and for Franklin McKinley they are coming from very difficult circumstances and require much in the way of social services and supports in order to make them successful and we can't forget the family. If we don't help the family we're not going to help the child. So on your next slide you'll see how we link into -- I'm sorry this slide shows you the exact neighborhoods. So it's Tully road to Holly hill and then bounded by 101 and McLaughlin. The three schools that were exclusively focused on now before we replicate here and then move on is Santee elementary success academy, bridges academy, the former J.W. fair and then we also flow into Yerba Buena, because our kids are moving into that high school. The next slide is the one that shows how we're fitting into other large initiatives that are going on in the city. We did not want to become just another one of those initiatives that's kind of out on its own in Franklin McKinley but we want to be able to work very closely with the early learning master plan which we are out of the Santa Clara office of education and SJ 2020s to eliminate the achievement gap. So the initiative is going to become one of the major components of those two overall an overarching goals. The next slide we can quickly go through this, this is our structure to date. And it has listed, I apologize, very tiny print on the bottom, the people that are currently involved. But actually if you go to the next slide you'll see in much more detail the people who have come to the table. And are currently working with us month by month. And coming together to bring the services that are required to the kids and to our neighborhood. One of the bullets down on the bottom which shows shared community leadership, one of the unique and aspects I love most about this initiative is that we are putting forth a shared community leadership model. In that the residents of the community are in leadership positions. So Dr. Porter, myself, all of the other public-private organizations that you see here are sending representatives to our

meetings. But each subgroup is co-chaired by our community resident. Community residents are on the governance structure and community residents have formed their own community advisory committee and they are the ones that will decide which programs are coming into the neighborhood and which programs are not. In this way we hope to do a couple of different things. One is to really empower that neighborhood, but also, to embed this initiative into the neighborhood so that it continues on, beyond all of our careers. That the neighborhoods take -- neighborhood residents take this on and own it and move forward with it. In the next slide you'll see a few of the quick ones that we've done so far. We're in about an 18-month planning process now, with the first 14 months or so with a very part time consultant. I was hired full time back in March. So it's the first time they've been full time attention and full time position focused on this. But they did amazing things before I got there and you'll see several of them here. And it was really looking at what did the community want? What were they asking for? What were the resources that we could bring in to them and then what can we scale up? So you'll see that kinder academy is a really exciting program where it is a three week boot camp for kids who are entering kindergarten that have no preschool experience. Those kids are usually the ones that are furthest behind when they are starting in kindergarten. So if we can move those up to be ready to sit and listen on the first day of kindergarten is quite a feat for those teachers. It is quite exciting, they love it. The micro-business training program, parent projects you're probably very familiar with, went on Santee last spring, a nutrition program. We're just starting a safe passages program in conjunction with the San José police department and also a real center piece to this initiative is the first five family resource center which was opened on the campus of Santee. And it's a drop in center for parents and children that are under five, again do not have access to preschool or childcare and there's arts enrichment, parenting classes nutrition classes all of the children are screened for developmental issues and it's becoming a real hub for the neighborhood. And as we move on that's one of our best models. If we go to the next slide I'm sure you're more than familiar with the immediate needs of the neighborhood. But these are the three that we have identified as needing attention immediately if not sooner. As we can move into them. And a couple of them are the mental health issues, obviously neighborhood safety is critical, especially the no recreation or open space. There is no open space at all for the kids to play, and they're playing in the alleyways behind the apartment buildings or they're out on the streets. There's no parks, there's no playground, there's no place for them to go and the adult empowerment piece it is a very monolingual neighborhood. Most of our folks speak Spanish only and as long as they stay in the neighborhood they can be fine speaking Spanish

only but as they want to move out and gain economic capital it is actually the number one requests for the adults in the neighborhood ESL classes, which do not exist. If we are wondering why folks are not learning English, there are no classes. The ones that used to be offered have been cut. That is a big area we will be working on. The next slide, go backwards, oh no sorry. The next slide if we keep going is the pipeline for services. And this shows you the model of where we start which will start at birth. And we will move through high school graduation and into college. And all of those steps along the way will be supported by both really incredible transformation at the education level at the school district and also the social services that are required. And then I'll just end really quickly and we can -- Dr. Porter can add whatever I've missed and take your questions. But very, very exciting project that will be happening within Santee is called EDU-care. And EDU-care is a national early learning state-of-the-art center that they have opened I believe five sites across the country. They do the very highest quality early learning for the lowest income students, within a neighborhood and San José was chosen as one site for EDU-care. Based on Dr. Porter's leadership and his transformation within the Franklin McKinley school district. We are well within the stages of 30,000 square foot absolutely stunning facility that's going to be built right at Santee. But it's not going to be just an early learning center. It's really going to become the hub of all of our work that we are doing in the neighborhood. Because the community center will be housed there, the family resource center will be housed there, all the classrooms for the students will be housed there, parents will drop off their kids in the morning and then will go to any number of classes that will be offered. It is an incredible partnership between Packard foundation, first five, office of education, Silicon Valley leadership group, Catholic charities, that are all working together in collaboration for this one initiative. It is really going to be just a model that the city can really be so proud of that's going to be coming in and we can really change the trajectory for these kids by providing them the services this early. So we've done a lot. There's a lot more to do. There's a lot more work to do in bringing all of these systems together. That's the real challenge of this project, is having Department of Social services, probation, mental health, department of public health, the school department, Catholic Charities, all working together centered around the needs of a child and their family.

>> So I think that's pretty brief overview. And we're here to answer any questions you have, and discuss about any item that you want to flesh out more.

>> Councilmember Pyle: Well, thank you! This is really comprehensive. And after having been in education for 25 years myself, I realize just how critically important this is where we need to start building good blocks. With that are there questions from my colleagues?

>> Councilmember Constant: Just a comment. I'm very happy to see this moving forward. This particular neighborhood has had difficulties for generations. It was about 21 years ago that I was placed out there on foot beat when I was a police officer, me and three other guys to place just a couple of blocks, Dubert and Santee primarily. It's good to see we're making strides because it's a long long time coming. No questions, thanks for what you're doing and I'm looking forward to seeing it all come to life.

>> Councilmember Rocha: Thank you. Thank you for the presentation for taking time to come down here and do this. It is very helpful for me to learn a lot about the efforts you are doing. I do have a couple of questions. You mentioned the community leaders, is this residents or parents or both? How are you selective in that?

>> It's both. So I have -- it's myself and I have one staff who is the community outreach worker for the initiative. We have many parents because we've been able to recruit them through the schools but now they're actually going out and recruiting more and more residents from the neighborhood who may not be parents. They were probably parents once and they had their kids at the schools but they're still as concerned and as involved in the neighborhood. So at any given -- we have children's initiative meetings every month and in any given meeting we'll have between 30 and 40 residents now and that started with probably five. They've formed their own community advisory committee so that they can have their own kind of space and place to be able to discuss what goes on in the meetings and discuss with our outreach person. But we want those numbers to increase even more. And then each committee has a co-chair that's a community resident.

>> Councilmember Rocha: So to help me understand, what's the engagement for them? A lot of this focus is children and through the education. So how are you engaging them and what's the issue that they're interested outside of probably an improvement in their community?

>> It's safety, safety issues and number one, the education issues, even if they don't have a child in the school anymore it's still they know how critical it is to have those schools working and be really viable for the neighborhood. And then the third is their own economic development and self sufficiency.

>> Councilmember Rocha: Okay.

>> The unemployment rate within Santee is about 25%.

>> Councilmember Rocha: Wow!

>> It's a really staggering number. And there's such a desire to work, and be self-sufficient but it's providing them with those connections and those services that they need.

>> Councilmember Rocha: So when you -- I'm sorry did you have something to add?

>> Well I was just going to say, one of the things we found that -- the difference been our model and Harlem's and some of the other initiatives is they started from the community into the schools. We start from the schools out to the community. I'm not saying which -- which way is the better way to go. I'm just saying that's where we started because everybody came together with yeah, does every -- we want every child to be safe. That was the mantra. You know we've had enough violence. We shouldn't have third graders debating about how to go home and lunch time at Santee school figuring out which block to go. So that brought everybody together. Then we went out and as we kept going out we kept finding these needs. And one of the needs was, a lot of the women in the Santee neighborhood were -- did small catering jobs but they couldn't -- their ovens couldn't handle -- they couldn't compete with any large weddings or any large functions. So we brought the women's leadership initiative in, they trade -- how many women, 20 women. Now there's three co-ops started, and we've got the churches donating the commercial ovens to these women. I mean, that's going to empower -- the change that's going to bring in families is just unbelievable. We keep peeling back things and finding these needs, these real needs. The landlords are now getting together. They're part coming to the meetings. They formed their own little

subgroup. They're talking about creating play areas between property lines for the first time ever. They're talking to each other. Instead of threatening each other, they're actually cooperating and saying okay, what can we do to make things better? So it started with students, children. And then it keeps branching out. But we want to be very focused. It's a need that we can do, can deliver on, and not promise this neighborhood, after I think you said generations of promises, if we commit to something, we're going to do it. And that's been the power of this city and the county and everybody being together and having the right people to listen to them once a month. So that -- that's -- you know I can't -- this initiative is going to look different a year from now because we're going to find other things. But we're trying to keep them within those three umbrellas. Education, adult empowerment and strong safe neighborhoods. Those are the three focus areas.

>> Councilmember Rocha: Thank you. When I saw the reference to the City of San José as a partner, what departments are we engaged with you in? I see PD listed but are there other departments of the City of San José? So it's a pretty full court effort?

>> Norberto Dueñas: It's mostly the police department and the PRNS. Those are the different departments.

>> Councilmember Rocha: Lack of open space how are you working on that issue?

>> We can both address that. That's probably the number one of this next year, is identifying what we can do for some open space for them. Couple of needs that we've -- or couple of solutions that we are beginning to talk about is this concept of an open campus for Santee. So you, I'm sure have seen schools with large fields and lots of open space but it's locked down at 6:00 for safety reasons or staffing reasons or usually resource reasons. So we're really looking at how can -- how can that be shifted? How can schools not be shut down by 6:00 and give some access to some open space? Because we can't create the open space. There isn't any. It's a very dense neighborhood. But that does exist. And the second piece is that because of the changes in population in the schools, and programs that have been there and have to pull out because of budget cuts, there's a lot of building space that's available. Portables that are available, on bridges academy for example. So I've been in touch with the Boys and Girls Club to see whether they may potentially have an interest in coming out to bridges with their

really excellent programs so they could take over some of that space, that's currently sitting empty. And then provide some really critical services for the kids. So that's -- that's another piece that we're looking at for now.

>> The other thing is in a community meeting, we had -- we heard from the residents, their concerns about putting too many programs on that site. And so the district, we went back and redesigned the whole complex. And are not going to put a charter school on that campus, which was originally planned. So there would be more park area, and then open field area. So it got to that trust issue of listening to what the needs were. And then we went back to the drawing boards and said, okay, can we put the charter school somewhere else? Well, yeah, we can, there are three other places we can put it. So it's just that loop of just really listening to people before you come in and pronounce here's what you're going to do.

>> Councilmember Rocha: Thank you. I hate to bring up the question about end date, but is there a conclusion to this effort, or --

>> It should always exist.

>> Councilmember Rocha: Okay.

>> Yeah, it's how to take to scale.

>> Councilmember Rocha: Great answer. Hoping to hear that one.

>> No, it's permanent. It's institutionalized with the school district and with the city. I would hope that the mayors gang task force which has really been a critical partner will continue. I would even hate to think what would happen if something would happen to the gang task force. But the police department has been fantastic and the other department that comes in and really helps us periodically is housing from the city. And what was -- what's left of strong neighborhoods, SNI, we continue to work with that. The group. So there are a lot of things, what we are -- our vision now to go to scale with this is, each neighborhood, in Franklin McKinley has different

needs. There are three -- two other pocket areas that need exactly what's happening now to Santee. Two other areas. One is McKinley which is north of 280. And then the whole Seven Trees Los Arbos zone. But the rest of the district doesn't need those type of comprehensive services but they need strands of it. So here's our plan. Kinder academy is one of the biggest wins that we've ever seen. We've already expanded it based on the first year of initiating. That's going to be in every school in Franklin McKinley in the next three years. They're going to have the same kindergarten teachers three weeks early. All the crying is going to be over with. All the listening skills, the protocols that the child needs to have before they can learn in kindergarten, they're going to be dealt with. The parents get training the only way they get into kinder academy is if they come to school during the same time. The parents have a training, the child is in a prekinder program. You are just amazed to see these kids a month into school. You can't tell them apart socially from the head start kids. Socially. The head start kids what they have the advantage of is the language, the vocabulary. So that is our biggest challenge. How do we ramp up the language and vocabulary? Some of our kids have a 3 million word vocabulary deficit coming into kindergarten. That is our biggest challenge. But so we are taking strands of the children's initiative, like the kinder academy. The women's leadership group is another thing that can go district-wide. And if you can kind of think of the children's initiative as a hub and then strands going out that are going to take the whole system in. So that's our concept right now.

>> Councilmember Pyle: I hate to rush us, but we're 15 minutes overtime. You wanted to make another comment?

>> Councilmember Constant: I just wanted to follow up on Don's comment about the open space. Do I know one of the things I had looked into when I first came onto the council and we bantered about here, was partnerships with schools and probably the best example that I saw of that was the city of San Ramon, I don't know if you have been up there but every single school in their city limits have a joint park on the school grounds. It's been working well for a number of years. I just suggest that you take the time to look into it to see. Because I know that they had some interesting learning experiences along the way and it's a great example.

>> We have one ramblewood that we did with the city. That was a great idea.

>> Councilmember Rocha: Kansen, do you have any? I'll move to accept the report then.

>> Second.

>> Councilmember Pyle: All those in favor? Aye. Thank you, you have unanimous approval there. Thank you for all that work in getting us that national grant. We really appreciate it.

>> Thank you for all your letters of support.

>> Councilmember Pyle: Now we're ready to move on to the animal shelter. John Cicirelli is here to let us know what's happening with animal care and services. And you always make it interesting, John.

>> Yes, I'll try.

>> Councilmember Pyle: And you always let us know who let the dogs out.

>> Dogs are definitely going to be a subject. I do want one quick note, I had a small PowerPoint presentation, but had a technical issue, so I won't be able to present it. The PowerPoint though was blowups of graphs that are in this report, so I'll just be referring directly to the graphs. This is our twice yearly report this is going to be about the last fiscal year and some of the things that happened. I'll be happy to answer any questions or comments that you have. The most significant difference I think in the first year in the field services area, on page 2, were continuing declines in our ability to respond to calls for service. Each councilperson's office was sent a memo giving more detail about some of the things that have been going on in animal services a few months back about what your constituents can expect in terms of response times or our ability and how we prioritize calls. You know we've just been a little unlucky also in terms of some employee turnover and then it takes a while to get another officer back up to speed. So right now we're down -- we're short two more officers so it will take a few more months to get those back up to speed so it's sort of a cycle. It's a little tricky sometimes but they are doing the best they can. We

do have -- I do want to assure you we've been looking more critically at the call load and what's pending and I think we're making some progress there. So with any luck your constituents will be seeing better response time. One area that we do continue to do okay in is our response to the highest priority calls. So those are the emergency calls. Those are going to be an aggressive dog or attack or injured animal, those kinds of things, police assists. So we have a target to respond at least 85% of the time and exceeded that target and hit 90% for the entire year. Generally our response time to a priority 1 call is less than half hour. When you think about police times or fire response times it doesn't sound like it measures up but we only have 13 patrol officers for the whole city so we get there as quickly as we can. And then also wanted to talk about shelter operations. On page 3, we have -- took in a little over 18,000 animals last year, that's about average, not a big change from year to year. Where the big difference really is, is in the comparison between dogs and cats. The total intake number didn't go down but the total intake of cats went down almost 10%. But it was offset by the total intake of dogs going up almost 15%. And so that's creating some difficulties for us. It's easier to house a cat than it is to house a dog. A dog takes a lot more time and effort from the staff in terms of labor. So it is creating some constraints. And so we've looked a little more closely at this and I have some statistics in there. You know when we opened the shelter six years ago, compared to just this last year, the difference in the number of dogs coming in each year is 2,000. So it's a lot more dogs than we were taking in just six years ago. The shelter really wasn't built for that, and if you look at the slide on page 3 you can see -- I'm sorry, page 4, you can see what most of that is. It's more than 80% Chihuahuas. There's been an explosion in popularity of this breed. So in that period of time, of that almost 2,000, more than 1600 of them are Chihuahuas or mixes of Chihuahuas. So it's difficult to have that kind of a swarm coming at you. And right now, it doesn't seem to be abating, as you can see, the number of dogs coming continues to increase fairly dramatically, year to year. I'm going to talk in a minute about a couple of things that we're trying to do to be able to handle that and not put as much pressure on the kennels. But I did want to talk about the chart on page 5 which is our live release rate. And in the last year, our live release rate for the animal care center was 68%, that's by far our best save rate yet. It also exceeds our five year goal. We weren't expecting to hit 65% for a few more years so we're very pleased with that. It means we're moving rapidly in the right direction as far as finding positive outcomes for animals versus euthanizing them. And you can see there on the slide how it really starting in '08-'09 as we implemented some newer programs it's really improved dramatically. We also -- I also want to remind you although you have received a memo from our office, we are

running license amnesty this month and next. So far it's only been a week or so plus the phones have been ringing off the hook, and we did institute an online licensing system in July in anticipation of trying to get people to migrate online so we have to do less staff work, less manual input. And just in the first few days, the number of people -- the number of income coming through the online has doubled day to day. So, so far, very encouraged by the response to the community and what's going on there, in relationship to the amnesty. And then the last issue I wanted to quickly touch on was revenues. Primarily talking about license revenues year to year. 10-11 again we were able to raise revenues. If you look at it in the three years and there's a graph on page 6, three years ago, and at least two of you were here when we passed an ordinance requiring veterinarians to submit rabies vaccinations after they gave them, that's the effect of that. In almost three years it's doubled revenue alone. So we hit \$1.4 million last year, which means this year the total cost of division -- of the animal care and services division should be more than 50% recovery, in this fiscal year. So we're pleased with that. Again each year adding more onto the revenue, more onto the revenue and getting closer and closer to some of our cost recovery goals. And so I wanted to talk to you then lastly, we are anticipating some Municipal Code changes. Most of them not anything significant. We've done a couple of public meetings about them. Some of them about just updates and improvements to the dangerous dog codes, you know some loopholes we've found where people aren't following the law correctly. And then a few care and condition things but not many. And then we've had some -- a couple little issues with livestock and small animals. We have pretty significant limitation on the number of say chickens can you have or goats and things like that but those laws are primarily focused on people who live on a pretty standard residential plot. We do have a very small number I'd say a handful or less of people who actually have some decent amount of land that's open in the city and they want to have more animals than that. And the way the law is written it's confusing. We want those folks that have an acre, two acres, or whatever, to be able to have a few more chickens than the limit in the backyard of somebody's residential neighborhood. So those kinds of things. But we'll be moving forward with that probably this fall sometime. So you'll see them. And so the next steps are of course the license amnesty I talked about over the next couple of months. Those updates, continue to improve adoptions, year to year our adoptions are up 15%, lot more marketing and outreach which pushed up the numbers that was good to help with the save rate. And then pursuing grant opportunities, that's why I want to get back to chihuahuas for a second. We've applied for a relatively good sized grant that would last up to two years and would allow us to provide freeze spay and neuters

for Chihuahuas. And that's through the charitable arm of pet smart. They run a charity arm as well as the regular retail side of their business. We've gotten some pretty good indications that they like what we've done. We went and looked where the Chihuahuas were coming from, the top ten zip codes where we were picking them up or where we were bringing them in from. They want us to have that targeted approach. There is a possibility that we may be able to borrow or get a donor to donate what's called a mobile spay-neuter clinic so versus making everybody come to the shelter to do it we could literally drive out to a neighborhood for a few weeks, come on bring them in as many Chihuahuas as you want we'll do them free. Again stem the tides on the breeding and the numbers that are out there. There are a few other grant opportunities we are pursuing that would help us do more promotions and more outreach around adoptions and things like that. Being able to find more positive outcome. Those are all areas that we'll be focusing on this year. So with that, any questions you have.

>> Councilmember Constant: Just a quick one John. I don't know if my staff has talked to you about this or not. First of all everything in here looks great. I know there's been some problems with the system, first of all people becoming impatient with the tree, you get stalled and have to call back. I know my staff tried that and got the same issue. So what's the status of that, and what's it going to take for us to get that corrected?

>> There's a few different things that we're working on. Number one, we do recognize it's a problem. One of the issues in particular the last few months the people who answer the phone our dispatchers, there are five of them, two of them have been out. And so spreading the others over that volume of calls it just you can't keep up. So we've you know we've been pulling people from other areas when we can to try to help but we're short everywhere in reality. But so one of the things we have already done is we've sat down with the I.T. group and looked at our phone tree. And they helped us really pare it down get it a little flatter and fewer options in choices. And so we're developing the text for those areas. Another thing we've done is, now we've instituted a system to make online complaints about low-priority things. So say there's a dead animal outside. If you have the basic information it's not absolutely necessary that you talk to somebody about it. So if you're calling and you're finding out okay I'm on hold or I'm in a queue or something and instead you could go online and give us the information, and we are seeing people migrate there. So for at least some of the low-priority calls it can take the pressure off those call takers. But also we just now hired a new dispatcher, got another one -- the other one back

just today from the -- from a medical issue. So we're hopeful that now, okay, we're going to be able to get ahold of this and be able to answer. So it's been a few different things sort of working against us but I appreciate you bringing it up and we are aware of it. We're trying a few different things to address it.

>> Councilmember Constant: Great and feel free to tell people to download our smart phone app, they can report it without having to get to their computers. Let them they can do that and gladly without using a real phone. I'll make a motion to approve if we're ready for that.

>> Councilmember Rocha: I had one question.

>> Councilmember Pyle: Go for that.

>> Councilmember Rocha: The advertisement you are doing for the adopt a pet program, can you tell us how extensive and what means you're using.

>> Not very but what we've found over the years sort of the most effective bang for our buck is to run radio ads. That you know there's a fairly captive audience during rush hour. And you know you're targeting a few different audiences. But we've not found a lot of value in things like for instance taking out a large ad in the Mercury News. You know people sort of brush by it. In the past we've done different ads in different publications and told people, bring this coupon in just to gauge how often they're doing it or we surveyed them. That's where we've done a lot. Thankfully the local paper, the Mercury News, some of the small local papers they're often looking for feel-good stories so every now and then you can get them to write you an article, that always helps a great deal versus taking out an ad in that paper but frankly you know like any department we don't have very much in terms of marketing resources. So you sort of do it where you can and we've settled on radio being our best bang for the buck but we do other things as well. You're going to be seeing with the license amnesty for example articles in the local papers and things like that including languages other than English such as Vietnamese and Spanish where we'll be reaching out in those ways. So trying to take advantage of those connections with those community newspapers and publications for free, advertising.

>> Councilmember Rocha: Trying to remember the community challenge that we have for the City of San José and as it scrolls through the departments, is that something that you have?

>> Yes, we're on the one for the city. Channel 26 for instance through Comcast but they also do a feature for us Comcast does where they come in and they film certain pets and they're with a staff member and they talk a little bit about that pet's personality. You can on demand look at those and sometimes they roll them through their down time stuff. But advertising on the TV is expensive. Although something we would love to be able to do. They do that free so we don't have to pay them to do it.

>> Councilmember Rocha: Thank you, that's it.

>> Councilmember Pyle: You had questions?

>> Councilmember Chu: Thank you, it was a good record. Question, picking up the dead animals, priority 3.

>> Right.

>> Councilmember Chu: I wonder do you take into consideration of the weight or the size of the dead animal?

>> Yes, but it might not be on the scale you're thinking. If it was a horse that would prioritize it because that's very large. If it was a 50 pound dog versus a ten pound cat that's not going to change the priority. If it's in the middle of a street and causing a traffic hazard that would increase the priority. If it's on school ground and school is in session that would increase the priority of it. So those kind of things we do look at in a case-by-case situation.

>> Councilmember Chu: I see.

>> Although I know we do have a little extra help that started about a week ago to help sort of catch up because we're a little bit behind even on the dead animal stuff but you also shouldn't be hearing about that within the week.

>> Councilmember Chu: Okay. Well if it's just like a dead kitten.

>> Right.

>> Councilmember Chu: Will still go out and pick it up or --

>> We would if the resident doesn't want to pick it up. A resident can just use a plastic bag, bag it and put it in the trash and it can be disposed of up to 14 pounds. So that would generally include cats and small wildlife, things like that. Most dogs, it wouldn't include. And in general our preference is to pick up the dogs. Because sometimes people are looking for a dog, and they don't know it's dead. And at least there's some record made that says yes, a dog of this description was picked up at this location, and they can connect the dots, or maybe we can get the collar off it, or maybe it has a microchip. So those kind of things can help at least the owner get some closure about their pet.

>> Councilmember Chu: Great, thank you.

>> Councilmember Pyle: Okay, I have a motion and -- I don't have a second yet.

>> Second.

>> Councilmember Pyle: Second. All those in favor of accepting John Ciciirelli's great report, that much. Ewe really enjoyed that. Next we have Jackie Morales Ferrand and Leslye Corsiglia who is our housing director to speak on our housing department grants. Welcome.

>> Leslye Corsiglia: Thank you, madam chair, members of the committee, Leslye Corsiglia director of housing. As you mentioned Jackie Morales Ferrand is going to help me with this presentation. Hard to come after the little Chihuahua discussion. Makes you want to go out and get one or two. So what we are talking to you today about is grant administration, and more specifically, we want to talk about the Community Development Block Grant program. I'll start out a little bit more broadly and then narrow down to that. The housing department administers a number of programs, we have a grant unit that handles grant administration and then grant monitoring separately, and we have construction staff that specifically deal with projects that are grants that are of a building nature. We administer two different kind of grant programs. We have what are called entitlement programs and then we have programs that are not -- that come to us that we usually apply for and we receive those funds. The entitlement programs are those where, because of the size of our city, we are guaranteed a specific grant each year from the federal government. And so that includes things like the emergency shelter grant program, the housing for people with AIDS program, the home investment partnership program and the Community Development Block Grant program. The one time programs that we received funding are things like the neighborhood stabilization program where we received two rounds of funding so far. Pretty significant funding, the last one was \$25 million which we shared with the housing trust and neighborhood housing services. And then other programs like Cal home and begin which are state programs where again we apply on a competitive basis and receive those funds for the specific reasons that those grants are allowed. What's happening for money with grant programs is it's declining at all levels. The situation we're faced with today first you're all very well aware of what's happening with redevelopment. So that has been our biggest tool for being able to make improvements to our neighborhoods. And, you know, not just provided funding for the 20% fund for affordable housing but also provided money for our neighborhoods through the strong neighborhood initiative program and other programs. State bond funds have all but dried up and it doesn't look right now like the state is going to be pushing any new bond funds when they do probably will be more transportation and probably water, which is a big state issue. Less housing and community development types of efforts. That's an issue been a big effort to try to create a permanent housing source and at this point with the State's difficulties that's unlikely to move quickly. Also at the federal level they're grappling with their budget issues. So CDBG has dropped, and in 1995, we received almost \$14 million, our entitlement amount for community development block grant program. Last year it was about \$9 million. So that's -- you know that's a one-third drop in our funding from 1985 to 2010. Or 2011. We're

now projecting a drop of up to 25%. I'll talk a little bit more about that and what that will look like. And just trying to figure out what that means for us. The mayor included the action in his budget message to review the CDBG program and its priorities. The fact that the program is declining it is important that we look at how we more effectively target limited funds. It's something we've wanted to do for some time. But I'm going to acknowledge that it's a challenging discussion to have. So what I'm going to try to do and we may want to come back to the committee after we have this discussion, have more discussion because what I'm going to try to do today is lay out what the requirements are of the program, what the funds can be used for and then see if we can get some initial input so we can respond to the mayor's request. So the community development block grant program was created by the housing and community development act of 1974. It was an effort to provide funding for communities to meet local needs and specifically there are three major areas that it targets. Housing, infrastructure, you can go back to the -- oh, no, this one is correct, that's fine. Infrastructure and economic development. So those three, housing, infrastructure and economic development. The program must meet specific national objectives, so one of the first ones is that it must demonstrate that funds benefit low and moderate income areas. So whatever you use the funds for you must be able to demonstrate that. Can meet, prevent or eliminate slums and blight and also meet an urgent need. Other requirements are that up to 15% of the funds may be used for public service. And that's more activities like job training, health care, substance abuse services, crime prevention, things like that. And as a matter of policy, the city has always awarded that 15%, the full 15%, to community based organizations through a competitive process. And we have had a -- a specific requirements for what can be applied for, and that's changed throughout the years. We've been trying more recently to narrow what can qualify as a public service so that we can be more impactful. Up to 20% of the funds may be used for administration of the grant. And that 20% fund can also be used for planning studies and for fair housing. And again as matter of policy we have traditionally spent money out of that pot for those two uses. Fair housing is important, and I'll talk about it in a minute as well. The remainder of the funds are used for community development initiatives. And so that's -- those are again something that I'm going to explain a little bit more but it's a little bit more of your sticks and bricks and more direct neighborhood improvements as opposed to what public services are which might -- are services to people. This chart here just shows the decline of the funds from the third year there being 1995 to where it is today. Doesn't show it quite as -- doesn't look as large as it is, but it's been a really large drop for us. Going into eligible activities, the list -- the slide shows the list of various things you

can use funds for. I'm going to speak to them more specifically. The major places where we have spent our CDBG funds over the years have been code enforcement and housing rehab. Code enforcement, however, is only eligible in specific deteriorated neighborhoods, and it can only be used when you -- when it's not ongoing code enforcement. The federal government does not allow you to use the federal funds for general government services. But if you have an effort to improve a neighborhood and there's a coordinated strategy to do that then you can use code enforcement there. We've worked very closely with code enforcement to target these funds to SNI areas where there is a real effort to go into a neighborhood, make change, and then you need to move the program to a new area to do code enforcement, in that neighborhood. And we're -- right now we're working with HUD because they just came to audit us on making sure that our program entirely meets the federal guidelines. One of the pieces of that is then also that part of your strategy has to be that you're able to make improvements. So if you identify through code enforcement the need for improvements, you need to have tools available to do that, and one of our biggest tools to do that is housing rehab. So we have -- again we try to work together with code enforcement to link those two programs so when we go into a neighborhood or for example, when the superintendent was talking earlier, where we have an effort like the Franklin McKinley effort and we can work in conjunction with those programs and provide rehab assistance that helps that neighborhood become more successful. The other piece that's really important that I want to point out is fair housing. And again as I mentioned a lot of it we target out of the admin pot. This is important because as part of the receipt of federal funds the federal government requires that you have a fair housing plan. And the council approves this on a fairly regular basis. And it's called a fair -- it's impediments, analysis of impediments to fair housing. And that's a detailed plan that shows how the city is addressing its fair housing issues. And so part of what we do should address that plan, and fair housing. There are other activities that are eligible. Acquisition and rehab of commercial or industrial buildings, housing or homeownership assistance, public assistance over the years we've spent quite a bit of CDBG funds on infrastructure, like sidewalks, street lights, even tree planting in specific deteriorated neighborhoods. You can spend them on homeless shelters or group homes which we have not done but these are things that can you spend money on. Also economic development. We have spent money on specific programs targeted at low income people including we have a small business incubator that has worked out of the same office of Work2Future and one of the big programs, economic development programs we've funded is the smart start program which has received funding on an ongoing basis for a number of years. We've

also -- can fund planning activities like the development of the consolidated plan. We have -- in the past we've used some CDBG money for some of the SNI planning efforts, not for implementation, but for planning we can use it. So ineligible activities, I mentioned general government expenses, that's the big one. Any kind of you can't use CDBG funds for something like a rehab of a government building, a library or something like that. And you can't use it for new housing construction. Those are some of the activities that are ineligible. Next slide shows what we think is a reasonable budget but I'm going to be honest with you. Right now we just don't know. Last year we didn't know what the budget was until about March and supposed to start in October. Luckily the way we budget we don't -- it's not as though we're spending this year's money this year. We always spend it starting July 1. So that gives us an opportunity to know how much money we'll have before we award it but it is fairly late in the process because we do need to start the competitive process in the fall. And then we finds out really how much money we have more in the spring. Right now the administration has come forward with a proposal to reduce the CDBG budget by 8%. So less than 25 certainly. But the overall cut to the FUD which transportation and HUD budget is 14%, that's the target that they've been given. Because we do not anticipate that there will be those sorts of cuts to the section 8 program and the public housing program which are the largest programs in that budget, it is more likely that the cut will be more severe to programs like the home loan program and the CDBG program. That's why we're planning on a 25% cut. It could be less, it could be more but we're hopeful that this is the worst case scenario. So what this does is, it shows what our HUD award would be, going through that 14 million as a high down to about 6.8 million. And then we have other income which comes in, we have program income which is money that comes off of loans, largely the housing rehab loans. So when we make a loan, over time we continue to get income in from those loans. We're going to get some section 108 developer payment and I'll explain that in a minute. Because one of the things that we're now looking to have to take over this coming year actually the current year we had to pay section 108 debt. Section 108 is a program, a HUD program that's related to CDBG, and the Redevelopment Agency took out three loans from the section 108 program, that have about \$2 million in annual debt. That program, they need to pay that, but if they can't pay it then it defaults to the CDBG fund. And in our budget this year, we factored in the need to have to pay that section 108 out of the CDBG fund. So that will continue to impact us, going forward, until the agency is able to start picking up that payment again. So one of the developers from one of those loans does pay on their loan. The others don't. We see some income here of about \$300,000 which is from that developer and then we have some money that we calm

uncommitted funds balance but it is basically funds that people have turned back in because they didn't spend their full grant. So we would be looking at a 25% reduction of having about just under \$9 million available to award. So looking at what the uses would be for that, then if we take the administration which is the 20% number that includes some fair housing money and then also the section 108 debt which is the \$2,300,000 minus the 300 we had in the uses and of that 8.8 we have already spent about 3.8 million. So what it leaves for us actually I'm looking at this. I think we're -- are we off by a million here Jackie? Here, I'm just looking at the slide and it looks like -- yeah, okay. It looks like the slide has it off a million here. I apologize for that. For discretionary programs we have just over 5 million and that needs to be split between public service and the community development initiative program. So that's code enforcement, housing and anything else we want to do with the money. Okay. Then if we go to what our action plan is. One thing I want to -- that HUD requires is that you have a community process. And so we need to -- we have a consolidated plan which outlines the priorities. We then need to go out to the -- we have a citizen participation plan which outlines how we're going to get citizen input and then we have the housing and community development commission which also has -- provides input to the CDBG funding. Right now we're in the middle of outreach to the public so there are four public meetings that are occurring to receive input. And then we'll be bringing this forward, I think tonight is the first HCD meeting on this subject so we'll be getting some more input from them as well. They are in charge of holding public hearings and helping us define those local needs. So up on the screen we are included the funding goals that exist at this time. Which are many of the things that we've talked about here which is affordable housing, homelessness, blight and basic services for neighborhoods, economic opportunities, fair housing and environmental stability. So what questions we have for you, and again I'm not sure how much you want to talk about today or how you wanted to proceed with this, is really based on what you've heard so far, what more -- how -- what kind of input would you want to have? Do you have -- do you have thoughts about where our priorities should lie? And we're just trying to get feedback so that we can come back to the full council with some recommendations.

>> Councilmember Pyle: Is there anything additional to say on the subject?

>> Councilmember Constant: Since you have the memo might as well go first.

>> Councilmember Pyle: Why don't you go first.

>> Councilmember Rocha: Hi submitted a memo I think we sent it over to you yesterday and what I had attempted to do was kind of answer these questions.

>> Leslye Corsiglia: Okay.

>> Councilmember Rocha: I also put in the conclusion my acknowledgment that this is a very comprehensive issue that I don't know everything about. You work in this field every day and I don't have that privilege.

>> Leslye Corsiglia: Don't worry, I don't know all the detail, so --

>> Councilmember Rocha: This is my first crack at it as opposed to verbalize or to verbally tell you exactly where I think we should maybe try and shift some of our efforts. Part of that acknowledgment would be at some point it might be helpful to get feedback from you. This may not be the venue. I'm glad to hear that you're talking about maybe coming back when you have a little bit more sense, once you hear the feedback, what those impacts will be. Because making that recommendation is really easy for me to do at my desk. But not knowing what that means at the end of the day, and what may be cut and what programs may be a priorities that the council has spoken to in the past when I wasn't here. That's why I wanted to put it out there and get feedback from you. I'll leave it at that. I don't know if my colleagues have any thoughts. That was just my thought after reading the report.

>> Councilmember Constant: So Don, I agree with your comments and your conclusion, and that was my question, was going to be, are you offering this as a suggestion or is it prescriptive like it is in the recommendation? If your intent is to give them this as our input to consider and evaluate as we go forward and bring to council I have no problem with it at all.

>> Councilmember Rocha: That's really the intent. Yes.

>> Councilmember Constant: As long as we're not saying this is our decision because I didn't have time to give it that not.

>> Councilmember Rocha: Did you make the motion I'll support it.

>> Councilmember Constant: Yes I made the motion. I'd like to hear your feedback on this later when you've had a time to actually evaluate it in greater detail in everything you told us.

>> Councilmember Pyle: I'm glad you did this, Don, because this helps to crystallize my thoughts. Do you want to say anything?

>> Councilmember Chu: Just do say, if I wanted to prioritize it, where can we get the biggest return for our money. And thanks, Councilmember Rocha, for the memo. I feel there's some like job training some youth services saying crime prevention would also be my priority.

>> Councilmember Pyle: Well we'll take a vote on that. But before we take the vote to accept the report there are two people that would like to speak today so could I have a vote first on the accepting of Don's memo. All in favor. That is unanimous, and now we're ready to mere from Tammie Augustine, and also from Dolly Surrey. And you can both come up at the same time. You have two minutes, and that way we'll kind of speed things up a little bit. Thank you for being here. You're going to be addressing us. There you go.

>> Honorable officials, guests, ladies and gentlemen, good afternoon. My name is Tammie de Augustine, a director and childcare provider for Tammie's family childcare. I'd like to express my heart felt gratitude to CDBG for funding the San José childcare training program. I opened my family childcare in 2006, with only six months I had only three children. I was at the verge of giving up, when I met a nice lady who led me to the smart start San José program. I was introduced to Aracely Rodriguez, she had helped me she aligned to my goals and aspirations by admitting me into the family childcare ten months training program. Ms. Dawn Perry, the manager

of early care and literacy services was one of the instructors during that training and she was then the manager of community family services. I opened my concerns about enrollment and she visited me. My facilities, she help me got in contract with CFS and started providing subsidized children in my program. I was absolutely overwhelmed to increase my enrollment. Through the support of this smart start San José training program, I have been blessed to have the opportunity, not only to enhance my professional growth, but also, the growth and total development of the young children in my care. Likewise, with having earned this educational credits and units with this smart start I was able to obtain my childcare child development director's permit in 2009, and became one of the total system outstanding contributor award childcare recipients. My childcare business is --

>> Councilmember Pyle: Your time is up. I appreciate what you did. Thank you. Now Dolly, is it Surrey?

>> Yes, it is. I would like to thank everybody for giving me this opportunity. Feel honored that you know as a common person, I am given a chance to voice my opinion which I have never done so I feel really good about it. I'm a childcare provider in the San José area, Evergreen district, and been doing this for a very long time but I discontinued it for five years, and entered back in about I think 2007. I was very reluctant to continue this even though it's my passion to work with children, work for children. I was discouraged because there were you know the economic situation was extremely bad and there were just so many day cares in my area. But because I had passion, I was committed to children, I wanted to give it a chance. And fortunately I became a part of childcare network and one of the members there told me about smart start program. Because she herself had benefited immensely from it. And I think it gave me a different entrance to a different world. I did not know this world existed. At that time I felt a part of the community and felt good about what I'm doing. And it has made my outlook very, very professional. And it gives me satisfaction. I feel part of community and I feel really happy that San José is offering this program for us. And it is so important. Not only for me as a person, but the children I take care of, and their families. It gives me satisfaction it doesn't matter if I make money or not, but it feels good that children in this community are given the best, like every child has a right to everything. And this program is helping with that, that's all.

>> Councilmember Pyle: Thank you for your participation, we really appreciate it. Now the final vote.

>> Councilmember Constant: Motion.

>> Councilmember Rocha: Question here. The administrative cost that you list in here, and the memo, what was the page, 20% listed.

>> Leslye Corsiglia: Right.

>> Councilmember Rocha: Is that typical? It seems kind of high. Usually you see 10 or 15%. 20% seems --

>> Leslye Corsiglia: Right, 20% is the total, that's the total amount that's allowed and as I mentioned typically we also fund fair housing out of that money and we have funded planning services as well. Out of that money. And -- but it goes for -- pays for rent and overhead and other departments like the attorney and for finance as well as for the direct program staff.

>> Councilmember Rocha: And then in the slide you had a million point one or something for administrative cost. What are the relationships between the two? Is there any of those separate --

>> Leslye Corsiglia: Can you go back one slide, the \$1.5 million, it's 20% of the HUD award and the prior slides, Maria, the prior slide you take the HUD award and the program income and it's 20% of that money, not the total amount. The 1.5 we have a breakdown of what all that money goes to and part of that is for staffing and farther of it is for other things like fair housing.

>> Councilmember Rocha: One last question, I was trying to do it but trying to stop myself from doing it based on the audience out there. I saw on page 5 public facility improvements where dollars could be used for parks like family camp? Sorry I couldn't resist, I had to ask.

>> Leslye Corsiglia: One thing you need to remember is it needs to reach low and median income people.

>> Councilmember Rocha: Not just the family camp --

>> Leslye Corsiglia: Everybody that used it would have to meet income qualifications.

>> Councilmember Pyle: Nice try.

>> Norberto Dueñas: Today we are reviewing this at NFC. And Leslye is going to.

>> Leslye Corsiglia: Feedback we've received in this month's period of time.

>> Councilmember Pyle: We'll be delighted to have you back.

>> Councilmember Constant: I just want to make sure my motion includes that missing \$1 million being put back in, okay?

>> Leslye Corsiglia: We'll make sure we find that and put in in there.

>> Councilmember Pyle: All right, we like that. Are we ready now? We're really ready. All those in favor, opposed, that's approved, I don't know if the parks and rec acting director, Julie thank you very much for your kindness to allow us to proceed with family camp first because we have so many people here who are ready to go on that issue. I appreciate that. We're going to skip, then, from, we're going to skip to number 4 and we will do 3 after that. So you're here no matter what, Julie, and congratulations, Julie is our new acting director of parks and rec and we're really happy to have her with us in that capacity.

>> Thank you, Madam Chair. Julie Edmonds Mares, acting director of parks, recreation and neighborhood services. I'm joined by Steve Hammock, deputy director of our parks division. Also Dave Mitchell and Art Katava. We're hear today to talk about family camp. As the mayor and council is aware, family camp is a self-

contained outdoor camping facility located on the Tuolumne river just West of the north entrance to the Yosemite national park. And San José has been an operator of this location since 1968 with the Parks, Recreation, and Neighborhood Services department providing that services. The service is provided on U.S. forest service land and the city has a lease with the forest service. Following the expiration of two prior 20 year special use permits, we went through a master planning process and discovered some challenges with the dining hall up there. As you're well aware there was a change that was needed. So on March 2nd of 2010 the council directed staff to return with the following analysis. Prior to considering whether or not to move forward with another 20 year lease. The first element of that analysis was to determine what it would take in terms of a full cost recovery to make the permanent fixes to the dining hall and any other issues that were required for health and safety at the location. How much would we have to raise the user fees in order to obtain that. And the request was to do that within ten years many raise the user fees so we could create a reserve and fund those capital expense et cetera. In addition, the mayor and council directed that staff come back with a potential exit strategy including a cost analysis on what that strategy would take. So we're here today as part of our public outreach process, one to make public the fiscal analysis and the operational analysis that we've concluded. We have a draft master plan, it's been working simultaneous to a business plan and a feasibility study. So should the mayor and council decide to move forward with a permit the master plan would enable us to do so. However we're also wanting to make sure we talk about the fiscal analysis and make sure we want to continue on that road. The public outreach has included a community meeting last week. We had an item with the parks and recreation commission last night. This meeting, in addition to a user survey, and finally we also sent out a message to potential partners at the site and asked for information from them. So all these outreach methods will gather input and put that into a final report to mayor and council which will come back, including a staff recommendation in late October, early November. So with that I'll turn it over to Steve to go over some of the details.

>> Thank you, Julie and thank you committee. Steve Hammond deputy director Parks, Recreation, and Neighborhood Services. We'll give some of the analysis. San José family camp is managed by the Department of Parks, Recreation, and Neighborhood Services as a rustic tent camping facilities where the campers are provided three meals a day. The sleeping accommodations are basic canvas tent as shown on the photo on raised platforms. Each tent can accommodate up to six campers. And the camp is approximately a two and a half hour

drive east of City of San José and is situated on 46.8 acres of federal land that's leased from the Groveland ranger district of the Stanislaus national forest. So it is a landlord tenant relationship that we have. Camp is located just off the State Highway 120 15 miles East of groveland and only ten miles West of the northern entrance of Yosemite national park. Just in context Yosemite had over 4 million visitors and over a million of those visitors drove right by family camp on their way. Camp provides 70 wood-framed, canvas-covered platforms. And in this schematic it shows those little squares are the tents. And it's among the pines and oaks, and the middle fork of the Tuolumne river runs right through middle of it. And these are tents that are rented out to the campers, and the other family camp facilities include a dining hall, patio, deck area, amphitheater, arts and craft buildings, rest rooms, a play field, a tot play area, and various support buildings. Family camp summer program runs seven days a week from the middle of June to the middle of August when the kids are primarily out of school with complete in house meal services and a variety of structured recreational prepared for camp, by camp staff and are served cafeteria style and there's camp ranges between 80 and 300 campers per night with a summer support staff of approximately 40 to 60 seasonal employees. Most of these seasonal employees are from San José by the way. And most of the volunteers that are associated with the camp are friends of the San José family camp which is a nonprofit organization formed in 1973 to support family camp. Camp has a lot of history. During the spring and fall post seasons camp is also available for groups during these periods. Camp has hosted community organizations such as YMCA, scouts, boys and girls club, schools with special interests. This past weekend was the American Motorcycle Association, it's an endless array of different folks that would come to camp. The pre and post seasons have reduced staffing level, as well. And then fishermen can also stay at camp and fish in the river during the trout season when it opens late April in the Sierras. And camp closes down in October for the winter, and then it's vacated for the majority of the months through the winter. Family camp was conceived and developed by the city of Oakland, and the camp first opened in 1921. In 1968 the City of San José acquired the camp from Oakland for around \$75,000. And Oakland still operates a camp, it's on the feather river up in the Sierras. Many of the existing buildings at camp date back to that Oakland era, including the dining hall and the camp store and the Sierra lodge. And also, the swimming dam on the river. So in March, of 2010, as Julie mentioned that we were directed to come back and achieve a full cost recovery program, thus eliminating any financial impacts to the City's General Fund and to define the capital work to repair and enhance the camp facilities knowing how old they are, to establish a fund a reserve fund if you will to underwrite capital repairs and

improvements to the camp facilities and for staff to provide exit strategies for operating camp. And also, to estimate the cost to remove the camp improvements if the camp was closed under the current agreement with the U.S. forest service. So the chart on the screen and on your paperwork here identifies the direct costs going back from 2007 and we'll show it all the way up to 2016, in terms of revenues and expenditures for camp. We look at the 2011 side, which is the far right column, we show that camp this year will be \$30,000 in the red. Not quite cost recovery. 95.7% exactly. These are direct expenditures from the General Fund and direct revenues back into the General Fund. I would say that 70% plus of camp attendees are residents of San José and 45% of camp attendees are under the age of 16 or almost 2600 in 2009. So the operational cost scenarios we bring that out to 2015, and looking forward over the next four seasons indicates the camp can be 100% cost recovery regard being direct operational expenditures to revenues. Historically the land lease payment to the forest service is paid from the citywide C&C fund. In 2013 that lease payment could be funded from the camp revenues, thus freeing up \$54,000 in C&C funds for additional improvements to camp. We hired Pros Consultants who has done a feasibility study, and they anticipate about a 2% growth in attendees per year. And that feasibility study is not presented here today but it is on the web under the family camp tab on our parks and recreation site. Approximately 800 campers are associated with the preseason session of camp which did not occur this year. Thus, the increase from 4,000 in 2011 to 4900 in terms of campers in 2012 is mainly due to having a preseason back again. Now, we didn't do preseason this year because we were still under construction of a stability project that we did to the dining room so we could have people use the facility. So based open these numbers camp should be 100% cost recovery again for direct operational expenses. Including the associated land lease payment to the U.S. forest service. So the U.S. forest service has asked the city to define capital repairs and proposed improvements to camp and present that information in a master plan, and this effort to develop of the draft 10-11 master plan for family cam is to divine all those repairs and all those improvements and all of that again is posted online. It is too much information to print out and to give everybody. So we want to make sure that is the Website that's posted up on the slide. The master plan is currently in the environmental review process under CEQA and NEPA, both the state rule and the federal rule, due to the U.S. forest service property. And we are in the -- we're looking at both the initial study, document right now and moving forward in that process. The master plan looked at four possible alternatives, for the improvements for family camp. The estimated cost to repair or enhance the deteriorating camp facility runs between \$10 million for alternative 1 for

basic repairs, repairing it in kind, to \$15 million for alternative 2 and just over 16 for alternative 3 and alternative 4 would close camp. So a little detail on alternative 1 would repair the existing facilities and replace the dining hall structure in kind for just over \$10 million. Alternative 2 would create a new two story building where the first floor includes the camp reception office, first aid station the dining hall and adjacent kitchen, multipurpose room and additional office space. Both alternatives 2 and 3 could provide staff solar carports to help offset the utility bill at camp and close the existing care taker's carport to a garage and winterization efforts to allow for year round use of camp. Alternative 3 is the preferred alternative in the master plan which is going through this environmental process that I just discussed under both CEQA and NEPA and alternative 3 would create a larger dining hall footprint and its option would also increase the dining hall capacity by 40 additional campers over the existing building and provide a room to create a nature center on the second floor. And that is the key with alternative 3 doing something that is bigger and that costs more. But having it reviewed and in the master plan. So in case a grant did come our way from the federal government we would be ready to accept that grant for maybe a nature study or outdoor recreation activities. Alternative 4, is of course a closure of camp. And that's a condition of our existing permit today, calls for the removal of all existing improvements in camp. And if we were to move forward in that direction, the cost estimate for this work is just under \$16 million. And that is given -- that figure has been given to us by the Public Works engineering department based on demolition type work that they've done in the city. But it's also there's a big factor here and that's the environmental restoration work that would have to be done along the river corridor. There's three bridges dams and retaining walls in that river and if we were to return it to that level of condition there would be great cost. And in the fifth alternative is for the city to transfer its interest in the camp facilities to another entity like the city of Oakland did in 1968 when we bought it. So looking at how to do cost recovery in relationship to all of these expenses with capital improvements, this chart gives you an idea. If we look at it in a ten year time frame, and we moved towards that direction to recover the \$10 million cost as is shown we would have to raise the fees up to upwards 96% or \$137 a night per resident per night. That's in a ten year period. In a 20 year period on the far right it shows that it would be \$108 per person, per resident, or a 55% increase. So to fully fund alternative 1, we would definitely have to raise the fees considerably and put us out of the marketplace. But looking at a 20-year period and raising those fees to \$108 a night and just solely counting on camper fees to recover the funds for the capital improvements it looks almost possible. Continue to use the C&C funds as noted in the current CIP would only fund the 17% of the capital cost in alternative 1. And then a \$20

capital surcharge on tent rentals would help fund capital repairs and improvements by \$66,000 per year or fund the environmental land management work required by the U.S. forest service. Therefore we would have to seek alternative funding to defray the major capital costs through grants, gifts, fund raisings, new park bond, or partnerships. So the information provided in the case that camp can be 100% cost recovery for its direct cost, we did have the feasibility study brought us to talking about more marketing types of ideas and a lot of simple ideas have come forward that we could put into play. One of them is to put the word Yosemite in the title of San José family camp. So therefore, any computer searches would pull that up quickly and people looking for a place to stay outside the park would have this opportunity. And then options to run family camp is for the city to you know continue to operate it with its seasonal employees and help from the friends of family camp. And then some exit strategies would also be included. In terms of third party concessionaires, for profit folks that would want to run the camp and then also looking at exit strategies in relationship to just allowing our expense side to go down by having others become involved in family camp. We put out a request for interest as Julie said and we got quite a bit of interest in terms of the operational side of family camp. Including the YMCA and actually the city of Tracy. And I would like to mention in ending here is that the friends of San José family camp are here. And they have been great. And they have done tremendous work, lots of trades people here with this group and they have done some great things over the years and saved the city thousands and thousands of dollars. And we'd like to thank them for that. And then know that they will be here for the future as well if we do move that direction. So lastly, family camp is really, as it's been or the many, many years a retreat from urban life where campers of all ages can fish, hike, swim, and participate in organized activities. It is a facility where families and groups will return year after year to enjoy each other's company and friendship. We've heard a lot of that testimony in the last couple meetings that we've had. And camp is a partnership between the U.S. forest service and the city, and they really want to be -- continue to be a partner with us they're very interested in continuing family camp if it's in the City's interest and such an experience can foster you know improved stewardship of course in our youth, when we provide a location like family camp. So staff is anticipating to bring this issue regarding the future of family camp to the full council. Somewhere towards the end of August, maybe the middle of November, October, or the middle of November. Yeah. And so we are hoping to be there in that time frame. And we're here to answer any questions and then also, one last thing too is that last weekend in September of this month, there is going to be another weekend available for anybody that wishes to go up to family camp to make that trek to see it. It's going

to be open, it's kind of an employees' weekend and next to me or on our left here, is Art Kapfagon, who has been running family camp for a long time, and he is going to be there to receive anybody who wants to come up and explore camp, and then I'd like to get --

>> Councilmember Rocha: What was the date again, I'm sorry?

>> It's the last weekend in September.

>> The 23rd, 24th and 25th.

>> And then next to me is David Mitchell who has done a lot of the primary principal planning work on our documents here today. So we're here to answer any questions that you might have.

>> Councilmember Pyle: I'd like to begin by giving the people that have spent some time, all of these friends of San José family camp, and from Tracy, I would like to ask you to fill out a card if you wouldn't mind. I don't -- have you don't done that yet? If you don't mind, we're all set. In the meantime if you would come up at one time it will go a little faster.

>> More than happy to. Does the clock start right now? My name is Ralph Ochpinti. I've been a friend of family camp for over 30 years. And you see those tent platforms? Myself and several of the other gentlemen here, we built every single one of them. For the camp. I'd like to talk directly to you. First of all, I want to compliment the city staff on getting one of the best contractors in the Central Valley to refurbish that dining hall. When you go up and take a look, you'll see that that dining hall is good for the next 15 or 20 years. So while we're doing plans to replace it, and we have a lot of capital that's required, let's shove that out of the way for a while. Because that dining hall will service the camp quite well in the condition it's in today. When we go to council or whatever, for self health and safety types of capital improvements, we'll compete with everybody else that's out there. And as the gentlemen have told you, we will be competing with an entity that makes a profit for the City of San José and also provides summer jobs for the young people in the community. As far as the cost recovery, I filed it quite simple: If

you looked at the data, 80% utilization. Six, seven years ago, it was 99% utilization. You couldn't get in the place. So all you got to do is take those empty seats on the airline, and fly with them full, and this place is going to be a money-maker. That's why all these other outfits are interested in it. They want to bargain. And finally, our organization supports camperships. That the city manages. And we're prepared to increase our financial support for those camperships but I'm going to stand in the way unless I know we have nominees from every council district. And when we do, the fair evaluation process by our team here in the city will pick the people that ought to be subsidized to go up to camp and enjoy that experience and again, thank you for giving me a chance to speak.

>> Councilmember Pyle: Well, thank you, you did a great job. And you know the friends do give a lot of monetary you support as well as work support as well.

>> Yes, Gary Solmonson. I've also been associated with San José family camp for about 30 years and on the board of directors for about 20 years possibly. I know a lot of the other people are going to talk about the uniqueness of the camp and all the benefits it has provided over the years to primarily San José residents. I want to focus on the friends of family camp which I'm currently president. We have been supporting the city for almost as long as the city has owned the family camp approaching 40 years. We have provided primarily labor in all aspects of about camp, volunteer labor, we have also provided input to the city as far as maintenance and ongoing operations. As Ralph mentioned I believe we do a number of fundraising activities which have provided for camperships for underprivileged families. We have also provided various kinds of equipment for the camp. Finally we also are involved in various community awareness things to try to get more people to come up to camp. And the friends provided a letter to PRNS in June of 2009. Confirming our commitment to the camp. I do have some copies here and I wish that the members could take a look at it. It provides much more detail about our activities. And several companies. And that also, the letter does contain our commitment for a minimum of 10 to 15% reduction in the city's labor cost and also contains a provision that with greater utilization and a little more efficiency, we're prepared to provide further support and provide further reduction in the cost to the city. Thank you.

>> Councilmember Pyle: Thank you, Mr. Solmonson, we're ready now, I believe this would be Pat, Pat Allen.

>> Thank you, for remembering my name. I'm Pat Allen, one of your volunteer electricians, I'm one of the many dedicated individuals who go up there several times, do work in camp at no cost to the city other than I believe one time they did reimburse, they did pay for the food that we ate that one -- those two weekends. I free up the city from a lot of cost. One of the gentlemen that comes all the way up from Los Angeles to do the phones and the P.A. system, and he comes up twice a year. Camp can be profitable. It was profitable in the past. It is a beautiful, beautiful gem. If you do come up this weekend or if you've never seen camp, I highly recommend that you do go up there and see it. But you really couldn't appreciate it more unless you visited it on a Friday night, or a Friday, saw the hoards of little kids going off in the different directions where you have the preteens going off to an overnight camp, you have the little kids going off to miner's island, you have the adults going off to the adult social, the different campfires and it is just beautiful. Beautiful night skies. You'll be able to hobnob with people all over the city. You once -- in camping experience there's no activity in San José that gets people from the South San José to North San José to East San José to West San José other than family camp. And the biggest question you'll hear as you're standing in the line waiting for food, is how many years have you been coming? And you'll hear people saying that they've come here since it was Oakland's camp, families. Please, please, find it in your heart to keep this facility open. Or at least tell us if you're going to give it to Tracy so we can go put our activities with them.

>> Councilmember Pyle: Okay. Thank you very much. And speaking of Tracy, would you like to come up and say a few words?

>> Thank you, members of the committee, and staff. Friends and members of the audience. My name is Rob Buchanan. I'm with the city of Tracy. I'm the parks and community services director. I have to say first of all before I start, any type of introduction, I want to thank Art for being such a great host. We were able to go up and take a tour of the camp. Three of us from Tracy, we didn't want to leave, either although it was a workday. But we really wanted to stay up there. And the other members of the staff that have been really gracious, and taking some time to explain the operations. The planning documents that you've done are very strategic. Very complete. And paint a good picture for how the camp could be. A little bit about the city of Tracy so that you know who you're dealing

with when we have some future discussions we have 81,000 people. We have a health General Fund which is not what most cities these days can boast. What has done has bided us some time to right size our organization, look for opportunity and as a result \$10 million has come off of our General Fund expenditures over a period of three or four years. And I have to say that half of that is supported by our community. When they voted in a half-cent sales tax recently to support us for the next five years to keep our business as usual. We boast 72 parks, for a community that size that's quite a bit and we are really committed to having quality of life be our focus. With that being said we also are annexing and bringing into our city area over 5,000 acres which really will double the size of Tracy over the next ten to 20 years. We are going through a master planning entitlement process which will actually bring new businesses. Thank you for the time notice. So with that I really want to thank this committee and staff and the friends for this opportunity, potential opportunity to be some level of partnership with this great camp that you have. Thank you.

>> Councilmember Pyle: Thank you. And thank you Tom for being gracious enough to legality him go ahead. I know you were next.

>> Excuse me, I'm going to be reading from this.

>> Councilmember Constant: Come all the way up to the mic so we can hear you.

>> Yes, sir. The same number of people visit San José family camp every year as the number of people who attend the summer programs in the City of San José. Therefore, if you close or do not renew San José family camp it would be equivalent to closing all the summer camp programs in the City of San José. When the friends of San José family camp have and will continue to keep costs down and keep the camp at cost recovery by continuing to provide vital plumbing and electrical needs as well as routine maintenance prior to camp opening and camp closing. We provide six to 7,000 volunteer hours a year. We had 180 people over two weekends in May and June getting camp ready for the summer. We had volunteers at every weekend during the summer season handing out gourmet coffee donated by the friends and providing help in the dining hall from washing dishes to needed repairs, installing sinks and repairing appliances, the friends of San José family camp will continue to

provide these services to benefit our community. And I just want to thank you guys for taking this time to hear of what we -- what the volunteers, we generally love this camp. A lot of us have had -- I grew up going there. I was a counselor there, and I -- this is a very important matter for me and I just want to thank each and every one of you taking the time out of your day to listen to this this.

>> Councilmember Pyle: Well, thank you Tom, appreciate all you do for the camp, it's really impressive. And the next person? You'll have to tell me your name.

>> Okay. My name is Wendy Marley and I'm a resident of San José and my family and I discovered San José family camp about seven seasons ago and with the exception of last year we've attended every year. And I also coordinate a group of neighborhood families. We have six to seven families that go each year. During the summer my children aren't up getting ready for school but at family camp when we go the first thing my son does is grab his fishing pole. He can't do that at home or any of the other parks that he can walk to, but every morning at San José family camp he grabs that pole and heads right to the river. At night we see those stars that were referenced earlier and my daughter asked me how do we see this eighth home and we have that discussion about light pollution. This camp is unique and we operate the parks in San José because they offer value to the people of San José. And this offers a unique value to the people of San José, beyond the city limits. This year for the first time we camped in Yosemite. We've day tripped into Yosemite but for this year, for the first time, we camped. And the poor air quality in Yosemite, the inferior facilities and the crowds, family camp is a far superior experience. And we need to get that out there. It really is. A far superior experience. I'll always just stay at family camp. I encourage all of you to go if you haven't been and moving forward with the city operating San José family camp I did read the studies that you've posted online and I could see why you don't print them out. The current dining hall is a barn like facility and it is perfectly functional. And so with the absence of grants I think our view or our mission moving forward doesn't have to be grandiose. I understand why you want to do option 3 and move forward --

>> Councilmember Pyle: I'm sorry, we're limited for time and your time is up.

>> Okay, thank you.

>> Councilmember Pyle: Appreciate that. We're ready for -- George. I almost recognized you.

>> My name is George Shaneher, I'm a 36 year camper. One year in the past we went five separate visits in one year, some of those were work weekends.

>> Councilmember Pyle: Sir, could you speak a little bit more into the mic?

>> I'm sorry. Member of friends of family camp and I've read pretty much all of the master plan business plan, feasibility study and today's memorandum. Thank you. I'm sorry. My son was six when we started. He's now 42. He and I still go. He's permanently handicapped, that doesn't stop us, we still go. I only had two points. Anyone thinking about closing family camp I believe that's the worst alternative because it's a substantial cost, would have to be expended over a period of one or two years. Not going to have 20 years to do that. All your prior investments in camp will be lost. And the cost to do that would be borne out of the existing funds. So that looks pretty bad alternative to me. Just another point, some of the figures in the business plan, and I saw Ann was on the slide here today, all have 20 years of capital projected. But at least one column seems to accumulate all those costs into ten years. Maybe I'm interpreting it wrong but I think that's extraordinarily difficult and inappropriate if that's what was -- if I'm reading it right. That's really all I have to say. Thank you.

>> Councilmember Pyle: Thank you very much. Appreciate that. And the next person.

>> Eric heckman.

>> Councilmember Pyle: Eric.

>> Bad handwriting.

>> Councilmember Pyle: No it's great. I've seen much worse, I was a teacher.

>> Yeah, my name is Eric Heckman, downtown resident and first of all have any of the councilmembers actually ever stayed at family camp? Just one. I've regularly for actually for probably five or six years actually attended with former councilmember Cindy Chavez and I know a lot of other councilmembers used to go. So one of the things about family camp I went as a kid, I brought my kids, they've been there every year except for last year so we've been going basically ten years out of the last 11 I guess. One question that I didn't see in the report I didn't know it was online yet does this have to be done by a certain date, is this a plan for the whole time, what's -- is there a due date for I mean after they retrofit it? How long is that lasting?

>> Councilmember Pyle: Okay we're not going to get into direct dialogue but we will answer nap.

>> If you could answer that that would be good. Because this is something we need to keep. This is one of the things I amount on a boy scout board, once you have a camp, they won't let you put another one in. Especially dam a river up and put walls on rivers and stuff like this. This is something we will never be able to rebuild. It is not something you close down and get another one. Once this is gone this will be gone forever and a city our size needs something like that. I would say out of the downtown neighborhoods we probably have at least 70 families that I know of that go up to family camp regularly. So it is a big thing because a lot of us don't have especially the ones who live downtown we don't have a lot of big parks, I live at San José State. We need something outside where we can be all the family. If you allow us to fund raise I know with the scouts we fund raise and we throw a name on every single inch of every single camp. Can you do the same here.

>> Councilmember Pyle: Thank you, that would be a good idea. This would be Mike Flower who is our very own chair of one of our commissions, parks and rec.

>> All right, thank you. Mike Flaher, I'm a member of the parks commission. We heard this last night. I wanted to say that going up here the last weekend and we were with the American motorcycle association. Nice crowd, very interesting weekend. I wish I'd gone up many years ago. I've camped all through the Sierras and other parts of

California and I think the uniqueness of this camp, the way it's laid out, the topography and everything, makes it a real jewel. When we were setting on the deck in the lounge chairs and the sun it reminded me of river ranch up in Tahoe city. Again, the stream, the river, Tuolumne through the area is just a jewel to have for all the different recreation that comes along with that. We looked last night at the projected revenues, and cost costs associated. It looks doable. The really interesting thing is that with just inexpensive changes, we can bring in a lot more revenue with this. And that's the good thing. If we were all the way up to everything we could possibly do and there was nowhere to go that would be a different issue. But the fact is it could easily be done with simple things. The other camps in the area if you go and look at them don't have some of the opportunities you have here. For instance, when you're in the tent, and it wasn't clearly shown, is the actual deck out the back side of the tent, in many cases, gives you a pristine view of the river itself. And you are in the air, as the tents are built on an up to 3% slope, they give you the feeling of being in the trees.

>> Councilmember Pyle: They surely do. Mike I'm sorry but your time is up. And the next person? Did you say Ray?

>> Ray Perlott. I'm a long term camper like most everyone else who spoke here. When we discovered family camp it was an ad in the parent magazine. And not long after we started going there, the phrase "best kept secret in San José" came about. Because every time you bring up the subject of San José family camp everybody looks at you with this deer in the headlights look. And one of the things that kept us going back there all the time was the fact that our children could run free. We live on South 10th street which is a major thoroughfare and we were never allowing our kids out in the front of the house, I mean we just couldn't do that. There they could run free as long as they told us where they were going they could run all day long. And when they got home at night in that tent, we didn't have to coax them to go to sleep. They were out like a light. One of the things that we noticed, in friends of family camp, in all of the discussions and everything, Mr. Shorner and several other of the members noticed that the advertising for camp we can understand last year not advertising but this year, the advertising was so poor that there were no brochures even in the community centers around the city. And that was brought to light and then people, some of the members of the -- of PRNS, brought those brochures out there to those centers. And if we keep that going, and keep the ads like parent magazine, I know that we used to run them in

sunset, as well. You know in the back pages where all the camping, where they give these list of places to go, San José family camp was always listed as the most efficient and economical. Oh my time is up. Sorry about that.

>> Councilmember Pyle: Your time is up. We like your enthusiasm though, thank you for that. Okay are we ready -- I have a couple of cards here. Is Steve Lansbury speak yet?

>> He couldn't stay.

>> Councilmember Pyle: Okay, and what about Karen Gillette? Karen's not here? And Ralph, you're the one I didn't get. Okay with that -- would you care to address Eric heckman's question in reference to the overview and all of that and the dates, et cetera, when do we have to come up with a plan.

>> In regards to our purpose is to move forward with the forest service is to obtain a 20-year permit. That's what they're requesting that we do with them to move forward to run camp into the future. So to do that we need to work through a process of first identifying all these pieces of the puzzle and bringing all of that to the city council in a November time frame and then having a decision to the forest service about what our intention is in December of this year. And then, we'll move forward with the environmental review process, the master planning, the final approval of those documents and if we're going to go ahead and run family camp. If it's another direction, then we need to give the forest service that information as well and let them know what that direction is. So that's what currently we're up to at this point in time.

>> Councilmember Pyle: Right. Julie did you have something to add to that?

>> Just to add that we're here to receive input any kind of questions that you might have, we're available to answer specific information and then we'll be coming forward as I mentioned before next month with a recommendation.

>> Councilmember Pyle: But we're going to keep the public informed.

>> Absolutely.

>> Councilmember Pyle: In any way that we can. And do we need to do more outreach in the community? I know we've done some.

>> We are working on also getting a blog like was suggested at the community meeting a place where people can log into and have a forum for discussions. So we're going to get that together and get that posted whether it be a link through our foundation or friends of family camp. A lot of people talked about it so we want to make sure that's available with a computer.

>> Councilmember Pyle: One of the things you might find online is the audit that was done in '07, was it Art?

>> Yes.

>> Councilmember Pyle: Yes, and you addressed every single one of the issues last evening, and I can vouch for that. I don't think you want to go back through them again. But everything in the audit has been pointed out and corrected and which is great and we're ready to go. Questions?

>> Councilmember Constant: Is that me? Okay. Can you go back to I believe it's slide number 7, it's the one that has the title at the bottom called program cost summary. Should be the first chart-looking one. I think it's the one right before that. That one. Should be the one that has the dates 07, 08, 09 on the top. That one. Title on this printout's different, sorry. So I noticed that there was a lot of emphasis in the discussion on direct cost. So I want to ask some questions about the not-so-direct costs. Does this include, tell me what about indirect, which indirect costs are you assuming are not included?

>> Oh, what's in these costs --

>> Councilmember Constant: No what's not, what indirect costs are not in these calculations?

>> Not in these costs are, would be for instance my time associated with talking about family camp today, but what's in those costs are all the direct expenses for payroll, for family camp, all the ramp up, the administrative cost, all the payroll cost, arts cost for running camp. And anything that's associated with the direct running of camp.

>> Councilmember Constant: So the lease payments are in there, the lease payments you reference that go to the forest service?

>> Yes they are. And in terms of the citywide overhead cost, the citywide overhead rate for our department is, for this service is 68.62% and those are not on the chart. They are accounted for in the feasibility study over a ten year period at that rate the indirect cost account to \$2.2 million.

>> Councilmember Constant: So that's one of my biggest concerns is that the overhead costs are not in there. If you look at the discussions we've been having about our police services at the airport, we wouldn't be having the discussion about whether we're going to outsource them or not if we didn't consider city overhead. When we talk about the convention center operations and the operational losses every year at the convention center a significant portion of those losses are due to city overhead. So I think that city overhead charge needs to be not only in this chart, so that we have an accurate picture, but also, in all of the other charts by year for our projections going forward and that's really important because when we evaluate programs, we need to evaluate all of them on the same level. It's not fair to say we're not going to let our police department police our airport, because they can't afford to do it because we charge them overhead, but we don't do that in this particular case. So I think that that has to be in here as we go forward. On the next chart, the moving forward chart and the one that talks about the 20-year or 20-year recovery, does that include -- what size of a reserve fund or sinking fund does that include?

>> 10%.

>> Councilmember Constant: 10% of total -- of the \$16 million or \$15 million or whatever that is or 10% of operational cost?

>> 10% of the 16 million or whatever alternative you look at.

>> Councilmember Constant: Okay, so it's 10% of the capital cost?

>> Correct.

>> Councilmember Constant: Because I think that's one of the biggest problems that we have throughout our city. We wouldn't even be having this discussion if the city actually took care of the maintenance on our buildings. When I was out at the cypress senior center this morning which is now the cypress community center because we closed all the other community centers on the West side of town, they can't get the simple stuff like getting their floors taken care of in their building which is a basic maintenance procedure that we have to do so we don't have to replace it like we did last year and spend tens of thousands of dollars on maintenance. We have a convention center that we're about to spend \$20 million of a \$120 million renovation just for the failure of us to provide maintenance on our own building. And the deferred maintenance we have throughout our city is just horrendous. And I think that's something we need to keep in mind. One of the areas that I was really concerned on when I read the report and I'm glad it was touched on briefly, in the presentation was the exit strategy. Because the motion was made clearly talked about an exit strategy, yet the written report doesn't have anything about an exit strategy that the family camp business draft business plan, the only exit it has is what happens if we tear down the buildings, restore it to original condition, and give it back to federal government. That's a surrender strategy. An exit strategy would be talking to the gentleman from Tracy, all of the other people that we have interest from, and quite frankly when I look at this chart, and see how much money we have to put in this, I was actually very surprised to see that we were even contemplating something that enlarged and increased the capital infrastructure there. So -- when we have something that we can't even maintain now to

entertain even the thought of doing something bigger. And we put all that effort in there but we put very little effort in looking at the exit strategy which is actually a part of the motion. I went and pulled the motion so I could be clear on what it was. And there was nothing about let's do a what-if we had lots of money what could we do at this location? That was just disheartening to me of where the effort went. And I'm not here to dismiss any of the comments made by friends of family camp. I'm sure every one of those is probably not only 100% true but probably understated the benefit that people get from going to family camp. But at the same time I'm looking at situations like Pellier park which is just a short walk from here that we have the money to build the improvements to that park, but it's not getting done. And we have residents that we promised a park and it's not getting done because we can't guarantee that we can maintain that park the minute we're done. We have parks I believe in Kansen's district and district 6 that we have the money to build but we're not building, we're not providing to our community at all. Because we don't have the money to operate it. And when we contemplate the potential of taking citywide C&C funds, and spending them outside of the city, when we have all the great needs that we have in this city right now, that worries me. Because I drive around my district which is the most park deficient district in the city, one member here said they live downtown and the lack of parks, well, there's almost twice as many parks downtown as there is in district 1. And to see that we can't even get our folks to go to a neighborhood park that has a restroom open where they can go to the bathroom with their kids or to go to a community center because it's no longer available, and operable for them yet we're investing so far outside our city limits, regardless of how good it is, what a benefit is, we have to look at the fact that it's less than one-third of 1% of our population and that's assuming that every visit to family camp each year is a one time visitor not a multiple time visitor and we heard today many of multiple time visitors. It's probably less than 2/10ths of 1% of the folks that actually get a chance to use it, and we have all these needs within our city boundaries. I appreciate the work that's been done but I think we have a long way to go and I think that we need to be actively engaged with Tracy and we need to be actively engaged with all of the other folks that expressed an interest because I don't think it's in anyone's best interest to just surrender, turn it back to forest and give it away. But I don't think it's in the best interest of the entire residents of San José to spend those kinds of millions of dollars and all of the money that's not included in there, the indirect cost I'm sure all this master planning had a lot of expenses to it. I know Julie spends a lot of time on it. There's a lot of all that and all the city overhead, when we can't do the things that we must be doing in

our city limits. And that's my concern. So with that, I'll stop because we were supposed to be out of this meeting ten minutes ago.

>> Councilmember Pyle: Ten minutes ago. Would you like -- did you want to say something?

>> Councilmember Chu: Just wanted to doubling check, indirect cost is how much per year?

>> Since the report says 2.2 million over ten year period then it would be 1/10 of that.

>> Councilmember Chu: 220 --

>> 220,000 a year.

>> Councilmember Rocha: So when you talk about cost recovery and you show that over the 20-year period that you project you can likely get there, is that cost recovery on everything the capital and the operating?

>> The direct costs as we distinguished and the capital investment that would be needed in creating a reserve so that those capital investments could be paid for.

>> Councilmember Rocha: Okay and the investment would come from grants and from what capital fund?

>> It would come from increased user fees and in part we identified some C&C that would be freed up by the user fees paying for things that the C&C is paying for now such as the lease currently.

>> Councilmember Rocha: None of it is General Fund dollars?

>> No.

>> Councilmember Rocha: Now the rental rates that you talk about or show the 100, whatever the case may be, I would assume after 20 years you're looking at year 2030 they would be going up by that point so you may have a cost recovery that may be earlier?

>> So we do calculate in the study itself a slight increase in both usage and user fees over time. It's not exponential but it's about 2% a year.

>> Councilmember Rocha: Okay. Let me thank the folks who give their time and effort and resources to an asset of the City of San José and I really appreciate you coming and all that you've done for that facility. I was very impressed and we're lucky to have folks like you in the City of San José. I noticed that the zip codes, two highest used zip codes one was in Councilmember Pyle's district and number 2 was in council district 9 so that was a nice tidbit to see and I can be a testament to that because I have a lot of neighbors and friends who are bugging me year after year after year to go and we've been declining so I think they're going to finally convince me one way or the other. I really like the option you have alternative 3 which allows to you scope back if you need to but planning for a full buildout, I understand why we do that We do environmental clearance on a lot of issues. My support is behind alternative number 3 and I move to accept the report.

>> Councilmember Constant: One question just a second. Indirect cost, when Don asked for the hit to the General Fund, that's got to be absorbed somewhere. So that means that that \$220,000 is not being spent on General Fund issues, it's coming somewhere from your department, is that correct?

>> Correct. It's in the General Fund portion of our budget.

>> Councilmember Constant: So there are real dollars seeping out of the General Fund budget specifically in parks and recreation, that would probably keep all of our bathrooms open in our parks.

>> Right. Just to clarify, because I don't want to characterize this incorrectly, is that we don't actually do interdepartmental charges. Those are the expenses that are incurred by the support services department, is really

what happens from a budgetary standpoint. So it's expenses incurred by the I.T. department the human resources department and other fees calculated as part of that overhead.

>> Councilmember Pyle: We're looking for other sources of revenue as well from the community, from corporations, from wherever we can look for it.

>> Councilmember Constant: I would like to get some real clarification on that. Because when we talk about the Police and Fire which I consider a far higher priority than a campground and our airport we have that as specific items and it's in there. When we talk about our economic development efforts through the convention center it's a direct line item. So I'd like to get it cleared up on that when we get the next update of the report.

>> Councilmember Pyle: Sure. Right now we're going to accept the report. I have a second.

>> Councilmember Constant: I'll second as long as we're getting more information as we go forward.

>> Councilmember Pyle: All right, all those in favor, that's unanimous. Thank you very much you've done a wonderful job. Thank you friends of San José. And thank you for coming from Tracy. We appreciate your interest. Now we've gotten the ones we left from the back burner.

>> We're setting up camp.

>> Councilmember Pyle: The next one right now.

>> Councilmember Constant: Julie I'm going to be late for my appointment.

>> Councilmember Pyle: Right now we are going to talk about the anti-graffiti antilitter semi annual report. We can just hear it at this point.

>> Councilmember Constant: And abbreviated version.

>> Yes so as we're cueing up the PowerPoint we will be gearing up for an abbreviated report. This is a biannual report to this committee, a look back if you will of the last six months of performance, so in that regard it's the last six months of city staff performance. I know there's a lot of interest in our new graffiti vendor, in the next six months report giving a lot of updates about our new vendor, graffiti protective coating, and the performance that they've been doing out in the community. So with that I'm going to turn it over to --

>> Still trying to queue it up.

>> Just one moment please.

>> Councilmember Constant: We can take it all verbally. We're fine with that.

>> Councilmember Pyle: If you'd like more time we can let -- we can let our legislative items go now and that will give you all the time or are you ready?

>> I can just go from --

>> Councilmember Pyle: Okay, all right.

>> Mike Lowe park manager, PRNS.

>> Councilmember Constant: We need the mic.

>> Mike will, Parks, Recreation, and Neighborhood Services parks manager. As Julie mentioned this is our biannual report. I'll just jump into our statistics. We conduct a January evaluation where we count graffiti throughout the city and the evaluation which was done in 2012 -- or 2011 in January showed that graffiti

decreased in council districts 2, 4, 6, 8 and 10 but unfortunately increased when 3, 5, 1, 7, 9 with an overall city increase of 38%. Because of the way that --

>> Councilmember Pyle: I'm sorry.

>> Pardon me?

>> Councilmember Pyle: There you go.

>> There we go.

>> Councilmember Constant: We were just laughing about how it's odd.

>> I thought you were talking about --

>> Councilmember Pyle: They're either even or they're odd.

>> In 2010, the survey indicated that there were 29,285 graffiti tags throughout San José. In 2011, the total came out to 4,405, and again that represented a 38% increase in the system. We used this data to identify where we need to put our resources so in the 2009-2010 statistics we indicated the graffiti was -- hot spots were indicated in council districts 2 and 8. So resources were poured into those two districts focusing our staff energies on ensuring that we worked on graffiti abatement in those sites. And of course we saw a decrease in council districts 2 and 8, so our resources and our efforts were fruitful. This year seeing that graffiti went up in 1, 3, 5, 7 and 9, when we initiated our new contract our new service delivery model, let me back up a second I apologize for this. Part of the function of the anti-graffiti program involves rater sacks. This is a program where we work with juvenile offenders, to ensure that they go out and do graffiti abatement, as well as work with the probation department that sends out folks on probation to do graffiti abatement. And we also have initiated a tag class. And this tag class brings graffiti offenders and their parents to learn about graffiti, the ills, the activity, and also the cost to society and a

major benefit to this is teaching parents you know what is graffiti, what are graffiti tools and so forth and our police department, as well as probation department partners have both indicated that these classes are becoming fruitful. With is at the beginning of the fiscal year we initiated a new service delivery model utilizing a private vendor for graffiti abatement called graffiti protective coatings. One of the benefits of the program of course that it allowed us to meet budgetary goals but also the company provides a restoration model as well as eliminating secondary graffiti. When we look at a wall and we see graffiti that's been abated over time we many times will see different colored squares. This company comes in and spray out the entire wall the first time through until they get to a maintenance stage where they have to come over the second time which they do, they have to paint out a small area not the entire wall. The benefit is that over time what other cities have indicate id is that the graffiti decreases in these areas. The anticipation over the next few years as we continue to deploy this model graffiti activity will decrease in San José. Another definitely benefit this this program is the reporting system. Just two weeks ago we initiated a 1-800-phone line that people can call in, as opposed to calling in a voice mail line that was monitored by city staff. It allows people to call in give very descriptive definitions of where the graffiti is located, what it looks like, and then it really cuts down on staff time and then it allows their dispatchers at this company to pinpoint and give live reports to their folks out in the field. They're able to go out and immediately redeploy their resources on a much more live basis. Soon within the next couple of months the company anticipates operating an app, through PDAs where people can take pictures and send in their reports through e-mail as well as a web based system. We anticipate those coming on by the end of the calendar year. Another very important part of our new service delivery model of course is working with their volunteer programs. We have a number of volunteers that work with the anti-graffiti, over 3,000 volunteers and community groups and all of that supports our program. We are also focusing on reimbursement restitution under our new model. Right currently we're updating our juvenile restoration rates with the court system. We're supposed to do that every three years and we're working on that now. We're also looking at a pilot utility box abatement program where we are going to look to the utility companies for the graffiti abatement that we do on their property. Then another very important piece of the graffiti abatement process is the ability to track graffiti activities. Other cities have been able to say that the tracking has allowed them to get good reimbursement.

>> So I think those are the highlights and the most salient parts of the report. If you had any questions we could field those. In the interest of time, stay focused on that for today.

>> Councilmember Constant: Just want to make a brief comment just so it's clear at everybody who's looking back at this. Graffiti is up but it was up before we changed service delivery models.

>> Correct.

>> Councilmember Constant: Over five months before we switched service delivery models. And I just want to make sure that every time this is discussed we make sure that we emphasize that. Because I know that while there's always some kinks in changing service delivery models and I know Norberto and I had some discussions about changing services, the changes have been smooth and the modifications have been made to continually improve the program and it's only been in process for a couple of months but it is working. And I can tell you in my district and other districts I'm very sensitive about graffiti. It's a good thing. So -- and the paint-matching is a very, very good service. So just emphasize that as much as you can because I know we are. And what's going to be in the paper tomorrow is graffiti's up 200%. It's not going to be that it was up 200%, seven months ago, or eight months ago, or whatever it is now, so I just wanted to make sure that was on the record. And then I'm glad to see that they're getting an app, but it would have been easier probably to integrate the app that we already have rather than reinventing the wheel. So I don't know if they're aware of that, and it would be nice if we could figure out a way to automate the app that we currently use that's being used throughout the city. There's thousands, I think over 3,000 users, that we could just dump our information directly into their system as well.

>> We'll look into that, thank you.

>> Councilmember Constant: I would make a motion but we don't have enough people to make a motion so just thanks.

>> Councilmember Pyle: Now we're ready for Betsy.

>> Councilmember Constant: And Betsy, not to cut you off, but we read the report, and we can't take any action so unless there's something important.

>> Betsy Shotwell: No, I just want to emphasize that a number of these bills, particularly in the animal service areas, have passed the legislature this week and are on their way to the governor. Increasing fines, animal abuse, and a number of these issues they are really good bills. They are on the governor's desk so he has until October 9th.

>> Councilmember Pyle: We have a speaker? Oh, I'm sorry, oh my gosh Rick Stanton I'm so sorry! No, to, not you! So Rick, would you like to have a few words to say?

>> Councilmember Constant: Just make sure you get to the mic. I thought you were one of the campers. You looked so relaxed.

>> That's what I'm supposed to do. Thank you for letting me speak before the next session started. I'm here to talk about graffiti, obviously, I've done these presentations when I was working for years and now I'm on the other side of the fence here. And I've got grave concerns about the graffiti in San José. You're right, graffiti has been going up for several years. And it's been a very disheartening situation for me to see it go up. In my neighborhood, graffiti has exploded this summer. I mean it's just gone nuts. I know that the new delivery model, you talk about is working well. I respectfully disagree. They've got three -- now, the contractors I think are probably great contractors. Don't get me wrong. I've got nothing to say bad about them but there's only three people in three vehicles. And San José's a big city. You've got one person in one district, one person in another district and one person doing the rest of the eight districts. It's just not enough. And graffiti's staying up longer than it ever has. The pictures I'm passing around are when we report it, that's how it's getting cleaned up. I don't know if volunteers are doing that or who. But it's just a bad situation and it's only getting worse. I talked to the police department, their phone is ringing off the hook with complaints. And it's only going to get worse. The funding has been taken away from it. You're going to get what you pay for. And so not only you know the

contractor's one issue but there's more issues than just the contractor. It's the whole program. The whole program has been ripped to shreds and there's basically nothing left and a little bit of abatement, a little bit of enforcement. But nothing to make sure that the problem's going to get solved and it's only going to get worse. Away I do now is, I consult with cities nationwide on graffiti. I know what to do. I know how to do it. I've offered my help to the City of San José. We've done it before, we can do it again. It's missing a lot that needs to be put back in order to make those improvements. But it can happen and I just want to say my two cents worth so thank you because I know my time is probably up.

>> Councilmember Pyle: Thank you, Ray. Perfect. We've got good things coming down the pike and everything is on the governor's desk waiting to happen.

>> Betsy Shotwell: Many things are sitting there waiting for --

>> Councilmember Constant: And they're sending us buckets of money.

>> Betsy Shotwell: Yes, there are obviously a lot of things in play. We'll know by midnight tomorrow, if things have resolved or turned into a two year bill.

>> Councilmember Pyle: Thank you very much for tracking this, appreciate that tremendously. There are any other speakers?

>> Norberto Dueñas: We are formally deferring the next item to the next meeting.

>> Councilmember Pyle: With that we are adjourned. Almost out of the room.